

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 3217 - HB 3602**

February 15, 2012

**SUMMARY OF BILL:** Changes the conditions under which an irrevocable letter of credit issued by the Federal Home Loan Bank (FHLB) constitutes eligible collateral under Tenn. Code Ann. § 9-4-103. Requires that the FHLB issuing the letter of credit be rated investment grade by at least one nationally recognized securities rating service as opposed to the current requirement that the FHLB to be rated in the highest category by at least two nationally recognized securities rating services.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumptions:

- According to the Comptroller of the Treasury, this will have no impact on the Treasury Cash Management. There will be no change in revenues or expenditures.
- Any impact on state government is estimated to be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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